

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Centers for Medicare & Medicaid Services

42 CFR Parts 414, 416, and 419

[CMS-1678-CN]

RIN 0938-AT03

Medicare Program: Hospital Outpatient Prospective Payment and Ambulatory

Surgical Center Payment Systems and Quality Reporting Programs; Correction

AGENCY: Centers for Medicare & Medicaid Services (CMS), HHS.

ACTION: Final rule; correction.

SUMMARY: This document corrects technical errors that appeared in the final rule with comment period published in the **Federal Register** on December 14, 2017 entitled "Hospital Outpatient Prospective Payment and Ambulatory Surgical Center Payment Systems and Quality Reporting Programs."

DATES: Effective Date: January 1, 2018.

FOR FURTHER INFORMATION CONTACT:

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SUPPLEMENTARY INFORMATION:

I. Background

In FR Doc. R1-2017-23932 of December 14, 2017 (82 FR 59216), titled "Medicare Program: Hospital Outpatient Prospective Payment and Ambulatory Surgical Center Payment Systems and Quality Reporting Programs" (hereinafter referred to as the CY 2018 OPPS/ASC final rule), there were a number of technical errors that are identified and corrected in the Correction of Errors section below. The provisions in this

correction document are effective as if they had been included in the document published December 14, 2017. Accordingly, the corrections are effective January 1, 2018.

We note that the CY 2018 OPPS/ASC final rule was originally published on pages 52356 through 52637 in the issue of Monday, November 13, 2017. In that publication, a section of the document was omitted due to a printing error. Therefore, on December 14, 2017, the CY 2018 OPPS/ASC final rule was republished in its entirety. Accordingly, any corrections made in this document are made to the December 14, 2017 republished version.

II. Summary of Errors

A. Errors in the Preamble

1. Hospital Outpatient Prospective Payment System (OPPS) Corrections

On page 59256, we are correcting the OPPS weight scalar based on the conforming policy correction to the Ambulatory Payment Classification (APC) assignment of Healthcare Common Procedure Coding System (HCPCS) code 93880 in APC 5522 (Level 2 Imaging without Contrast) to APC 5523 (Level 3 Imaging without Contrast).

On page 59262, we are correcting language related to hospital-specific Cost-to-Charge Ratios (CCRs) and their application on payments for pass-through devices.

On pages 59269 through 59271, we use the payment rates available in Addenda A and B to display calculation of adjusted payment and copayment. Due to the correction of OPPS payment rates as a result of the corrected OPPS weight scalar, we are also correcting the payment and copayment numbers used in the example.

On page 59277, due to the corrected OPPS APC geometric mean cost as a result of the conforming policy correction to the imaging without contrast APCs, we are correcting the list of APCs excepted from the 2 times rule for calendar year (CY) 2018. Specifically, we are revising Table 14 to include APC 5523 (Level 3 Imaging without Contrast) to this list, for a total of 12 APCs.

On page 59295, we inadvertently excluded a summary of a comment and our response to that comment. We are revising the discussion to include the comment and response.

On page 59311, due to the correction in OPPS APC geometric mean cost as a result of the conforming policy correction to the imaging without contrast APCs in Addendum A and Addendum B, we are also correcting the CY 2018 APC geometric mean cost for APC 5522 (Level 2 Imaging without Contrast) and APC 5523 (Level 3 Imaging without Contrast) in Table 54 as well as in the OPPS Addenda A and B.

On page 59323, we incorrectly listed the HCPCS code that describes Lung biopsy plug with delivery system as C2623 instead of C2613.

On page 59369, we inadvertently omitted vaccines assigned to OPPS status indicator "F" from the 340B payment adjustment exclusion. Specifically, we stated in the preamble that "We remind readers that our 340B payment policy applies to only OPPS separately payable drugs (status indicator "K") and does not apply to vaccines (status indicator "L" or "M"), or drugs with transitional pass-through payment status (status indicator "G")." We are correcting this statement to read "We remind readers that our 340B payment policy applies to only OPPS separately payable drugs (status indicator "K") and does not apply to vaccines (status indicator "F", "L" or "M"), or drugs with

transitional pass-through payment status (status indicator "G")." In addition, we are also correcting the statement on page 59369 that reads "Part B drugs or biologicals excluded from the 340B payment adjustment include vaccines (assigned status indicator "L" or "M") and drugs with OPPS transitional pass-through payment status (assigned status indicator "G")" to correctly state our final policy that "Part B drugs or biologicals excluded from the 340B payment adjustment include vaccines (assigned status indicator "F", "L" or "M") and drugs with OPPS transitional pass-through payment status (assigned status indicator "G")."

On pages 59412 through 59413, we are correcting a typographical error in the title of Table 87.

On pages 59482 through 59483, we are correcting the count of excepted Rural Sole Community Hospitals as well as the count of other providers that were listed in regards to the 340B Program.

On pages 59486 through 59488, we provided and described Table 88—Estimated Impact of the CY 2018 Changes for the Hospital Outpatient Prospective Payment System, based on rates which applied an incorrect scalar. We have updated Table 88 and the description of the table to reflect the corrections to the scalar as a result of the corrections to geometric mean costs in APCs 5522 and 5523.

2. Ambulatory Surgical Center (ASC) Payment System Corrections

On page 59413, the discussion of ASC Payment for Covered Ancillary Services for CY 2018 was inadvertently omitted. We are including that discussion in this correcting document.

On page 59422, we inadvertently published an incorrect ASC conversion factor of \$44.663 for ASCs that do not meet the quality reporting requirements. With the correct application of our established policy, the corrected 2018 ASC conversion factor for ASCs that do not meet the quality reporting requirements is \$44.674.

3. Partial Hospitalization Program Corrections

On page 59375, the text states: "We proposed to apply our established methodologies in developing the CY 2018 geometric mean per diem costs and payment rates, including the application of a ± 2 standard deviation trim on costs per day for CMHCs and a CCR \leq 5 hospital service day trim for hospital-based PHP providers." The less than or equal to sign that appears in this sentence is incorrect and misstates our trim policy. Therefore, we are correcting "CCR \leq 5" to read "CCR>5."

B. Summary of Errors and Corrections to the OPPS and ASC Addenda Posted on the CMS website

1. OPPS Addenda Posted on the CMS Website

The payment and copayment rates in Addendum A (Final OPPS APCs for CY 2018), Addendum B (Final OPPS Payment by HCPCS Code for CY 2018), Addendum C (Final HCPCS Codes Payable Under the 2018 OPPS by APC), and the payment rates in the 2018 OPPS APC Offset File and the 2018 OPPS HCPCS Device Offset File that were published on the CMS website in conjunction with the CY 2018

OPPS/ASC final rule are corrected to reflect the corrected assignment of HCPCS code 93880 to APC 5522 (Level 2 Imaging without Contrast) and APC 5523 (Level 3 Imaging without Contrast).

In addition, in Addendum B, 17 HCPCS codes were incorrectly assigned to OPPS status indicator "Q4" when they should have been assigned to status indicator "A." We are correcting the mistake by assigning status indicator "A" to these codes as shown in the chart that follows.

HCPCS			
Code	Short Descriptor	CI	SI
81105	Hpa-1 genotyping	NC	A
81106	Hpa-2 genotyping	NC	A
81107	Hpa-3 genotyping	NC	A
81108	Hpa-4 genotyping	NC	A
81109	Hpa-5 genotyping	NC	A
81110	Hpa-6 genotyping	NC	A
81111	Hpa-9 genotyping	NC	A
81112	Hpa-15 genotyping	NC	A
81120	Idh1 common variants	NC	A
81121	Idh2 common variants	NC	A
81175	Asxl1 full gene sequence	NC	A
81176	Asxl1 gene target seq alys	NC	A
81448	Hrdtry perph neurphy panel	NC	A
81520	Onc breast mrna 58 genes	NC	A
81521	Onc breast mrna 70 genes	NC	A
81541	Onc prostate mrna 46 genes	NC	A
81551	Onc prostate 3 genes	NC	A

In Addendum M, we inadvertently excluded Current Procedural Terminology (CPT) codes 71045 (Radiologic examination, chest; single view) and 71046 (Radiologic examination, chest; 2 views). The revised Addendum M includes these codes. CPT codes 71045 and 71046 replaced CPT codes 71010 (Radiologic examination, chest; single view, frontal) and 71020 (Radiologic examination, chest, 2 views, frontal and

lateral; with apical lordotic procedure) effective January 1, 2018. Since the predecessor codes were assigned to composite APC 5041 (Critical Care) and APC 5045 (Trauma Response with Critical Care) before January 1, 2018, the replacement codes are assigned to the same composite APCs effective January 1, 2018.

In Addendum P, we inadvertently excluded the following 7 CPT codes:

- 0409T (Insertion or replacement of permanent cardiac contractility modulation system, including contractility evaluation when performed, and programming of sensing and therapeutic parameters; pulse generator only);
- 0410T (Insertion or replacement of permanent cardiac contractility modulation system, including contractility evaluation when performed, and programming of sensing and therapeutic parameters; atrial electrode only);
- 0411T (Insertion or replacement of permanent cardiac contractility modulation system, including contractility evaluation when performed, and programming of sensing and therapeutic parameters; ventricular electrode only);
- 0414T (Removal and replacement of permanent cardiac contractility modulation system pulse generator only);
- 0446T (Creation of subcutaneous pocket with insertion of implantable interstitial glucose sensor, including system activation and patient training);
- 0449T (Insertion of aqueous drainage device, without extraocular reservoir, internal approach, into the subconjunctival space; initial device); and
- 28291 (Hallux rigidus correction with cheilectomy, debridement and capsular release of the first metatarsophalangeal joint; with implant).

CPT codes 0409T, 0410T, 0411T, 0414T, 0446T, 0449T represent procedures requiring the implantation of medical devices that do not have yet have associated claims data and therefore have been granted device-intensive status with a default device offset percentage of 41 percent, per our current policy outlined in the CY 2017 OPPS/ASC final rule with comment (81 FR 79658). CPT code 28291 replaced CPT code 28293 (Correction, hallux valgus (bunion), with or without sesamoidectomy; resection of joint with implant) which previously held the device-intensive designation with a device offset percentage of 43.78 percent. Since the predecessor code was device-intensive, CPT code 28291 is also device-intensive status and a device offset percentage of 43.78 percent based on the offset from the predecessor code.

To view the corrected CY 2018 OPPS status indicator, payment and copayment rates, that result from these technical corrections as well as CPT codes that were inadvertently excluded, we refer readers to the Addenda and supporting files that are posted on the CMS website at: http://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/HospitalOutpatientPPS/index.html. Select "CMS-1678-CN" from the list of regulations. All corrected Addenda for this correcting document are contained in the zipped folder titled "2018 OPPS Final Rule Addenda" at the bottom of the page for CMS-1678-CN.

2. ASC Payment System Addenda Posted on the CMS Website

As a result of the technical corrections described in Section II.A. and II.B.1. of this correction notice, we have updated Addenda AA and BB to reflect the final corrected payment rates and indicators for CY 2018 for ASC covered surgical procedures and covered ancillary services. In addition, in addendum BB, we inadvertently included

HCPCS code Q2040 (Tisagenlecleucel, up to 250 million car-positive viable t cells, including leukapheresis and dose preparation procedures, per infusion) as a separately payable drug when furnished in the ASC setting. Because the complement of services required to furnish the drug described by HCPCS code Q2040 are not all covered ASC surgical procedures, we are correcting the error by removing HCPCS code Q2040 from Addendum BB.

To view the corrected final CY 2018 ASC payment rates and indicators that result from these technical corrections, we refer readers to the Addenda and supporting files on the CMS website at: https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/ASC-Regulations-and-Notices.html. Select "CMS-1678-CN" from the list of regulations. All corrected ASC addenda for this correcting document are contained in the zipped folder entitled "Addendum AA, BB, DD1, DD2, and EE" at the bottom of the page for CMS-1678-CN.

In addition, we inadvertently excluded the below nine codes from the file labeled "CY 2018 ASC Procedures to which the No Cost/Full Credit and Partial Credit Device Adjustment Policy Applies". These nine codes were included as ASC device-intensive procedures to which the no cost/full credit and partial credit device adjustment policy applies in the CY 2017 final rule, and we did not intend any changes to them for CY 2018.

• 0409T (Insertion or replacement of permanent cardiac contractility modulation system, including contractility evaluation when performed, and programming of sensing and therapeutic parameters; pulse generator only);

• 0410T (Insertion or replacement of permanent cardiac contractility modulation system, including contractility evaluation when performed, and programming of sensing and therapeutic parameters; atrial electrode only);

- 0411T (Insertion or replacement of permanent cardiac contractility modulation system, including contractility evaluation when performed, and programming of sensing and therapeutic parameters; ventricular electrode only);
- 0414T (Removal and replacement of permanent cardiac contractility modulation system pulse generator only);
- 0446T (Creation of subcutaneous pocket with insertion of implantable interstitial glucose sensor, including system activation and patient training);
- 0449T (Insertion of aqueous drainage device, without extraocular reservoir, internal approach, into the subconjunctival space; initial device);
- 22867 (Insertion of interlaminar/interspinous process stabilization/distraction device, without fusion, including image guidance when performed, with open decompression, lumbar; single level);
- 22869 (Insertion of interlaminar/interspinous process stabilization/distraction device, without open decompression or fusion, including image guidance when performed, lumbar; single level); and
- 28291 (Hallux rigidus correction with cheilectomy, debridement and capsular release of the first metatarsophalangeal joint; with implant).

To view the revised version of the "CY 2018 ASC Procedures to which the No Cost/Full Credit and Partial Credit Device Adjustment Policy Applies," we refer readers

to the CMS website at: https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/ASC-Policy-Files.html.

III. Waiver of Proposed Rulemaking

Under 5 U.S.C. 553(b) of the Administrative Procedure Act (APA), the agency is required to publish a notice of the proposed rule in the **Federal Register** before the provisions of a rule take effect. Similarly, section 1871(b)(1) of the Act requires the Secretary to provide for notice of the proposed rule in the **Federal Register** and provide a period of not less than 60 days for public comment. In addition, section 553(d) of the APA, and section 1871(e)(1)(B)(i) mandate a 30-day delay in effective date after issuance or publication of a rule. Sections 553(b)(B) and 553(d)(3) of the APA provide for exceptions from the notice and comment and delay in effective date of the APA requirements; in cases in which these exceptions apply, sections 1871(b)(2)(C) and 1871(e)(1)(B)(ii) of the Act provide exceptions from the notice and 60-day comment period and delay in effective date requirements of the Act as well. Section 553(b)(B) of the APA and section 1871(b)(2)(C) of the Act authorize an agency to dispense with normal rulemaking requirements for good cause if the agency makes a finding that the notice and comment process is impracticable, unnecessary, or contrary to the public interest. In addition, both section 553(d)(3) of the APA and section 1871(e)(1)(B)(ii) of the Act allow the agency to avoid the 30-day delay in effective date where such delay is contrary to the public interest and an agency includes a statement of support.

We believe that this correcting document does not constitute a rulemaking that would be subject to these requirements. This correcting document corrects technical and typographic errors in the preamble, addenda, payment rates, tables, and appendices

included or referenced in the CY 2018 OPPS/ASC final rule but does not make substantive changes to the policies or payment methodologies that were adopted in the final rule. As a result, the corrections made through this correcting document are intended to ensure that the information in the CY 2018 OPPS/ASC final rule accurately reflects the policies adopted in that rule.

In addition, even if this were a rulemaking to which the notice and comment procedures and delayed effective date requirements applied, we find that there is good cause to waive such requirements. Undertaking further notice and comment procedures to incorporate the corrections in this document into the final rule or delaying the effective date would be contrary to the public interest because it is in the public's interest for providers to receive appropriate payments in as timely a manner as possible, and to ensure that the CY 2018 OPPS/ASC final rule accurately reflects our policies as of the date they take effect and are applicable.

Furthermore, such procedures would be unnecessary, as we are not altering our payment methodologies or policies, but rather, we are simply correctly implementing the policies that we previously proposed, received comment on, and subsequently finalized. This correcting document is intended solely to ensure that the CY 2018 OPPS/ASC final rule accurately reflects these payment methodologies and policies. For these reasons, we believe we have good cause to waive the notice and comment and effective date requirements.

IV. Correction of Errors

In FR Doc. R1–2017–23932 of December 14, 2017 (82 FR 59216), make the following corrections:

- 1. On page 59256, third column, first paragraph, in line 11, correct "1.4457" to read "1.4458".
- 2. On page 59262, second column, second full paragraph, in line 7, add the parenthetical phrase "(in cases where we are unable to use the implantable device CCR)" after the words "pass-through devices".
- 3. On page 59269,
- a. Third column, last full paragraph,
- (1) In line 17, correct "\$572.81" to read "\$575.85."
- (2) In line 21, correct "\$561.35" to read "\$561.39."
- b. Third column, last partial paragraph,
- (1) In lines 5 and 6, correct "\$442.53 (.60 * \$572.81 * 1.2876)." to read "\$442.56 (.60 * \$575.85 * 1.2876)."
- (2) In line 9, correct "\$443.68 (.60 * \$561.35 * 1.2876)." to read "\$443.70 (.60 * \$561.39 * 1.2876)."
- (3) In line 12, correct "\$229.12 (.40 * \$572.81)." to read "\$229.14 (.40 * \$575.85)."
- 4. On page 59270, first column, first partial paragraph,
- a. In line 2, correct "\$224.54 (.40 * \$561.35)." to read "\$224.56 (.40 * \$561.39)."
- b. In lines 6 and 7, correct "\$671.65 (\$442.53 + \$229.12)." to read "\$671.70 (\$442.56 + \$229.14)."

c. In lines 9 and 10, correct "\$658.22 (\$433.68 + \$224.54)." to read "\$658.26 (\$443.70 + \$224.56)."

- 5. On page 59271, first column, second full paragraph, under "Step 1," in line 8, correct "\$572.81" to read "\$575.85."
- 6. On page 59277, Table 14 APC Exceptions to the 2 Times Rule for CY 2018, is corrected to read as follows:

TABLE 14—APC EXCEPTIONS TO THE 2 TIMES RULE FOR CY 2018

APC	CY 2018 APC Title
5112	Level 2 Musculoskeletal Procedures
5521	Level 1 Imaging without Contrast
5522	Level 2 Imaging without Contrast
5523	Level 3 Imaging without Contrast
5524	Level 4 Imaging without Contrast
5571	Level 1 Imaging with Contrast
5691	Level 1 Drug Administration
5721	Level 1 Diagnostic Tests and Related Services
5731	Level 1 Minor Procedures
5732	Level 2 Minor Procedures
5771	Cardiac Rehabilitation
5823	Level 3 Health and Behavior Services

- 7. On page 59295, third column,
- a. After the first partial paragraph, add the following comment and response:

<u>Comment</u>: We received a comment to the CY 2018 OPPS/ASC proposed rule requesting the reassignment of the procedures assigned to APCs 5361 (Level 1 Laparoscopy and Related Services) and 5362 (Level 2 Laparoscopy and Related Services) to ensure a more logical distribution of procedure costs between these two APCs.

Response: We appreciate the suggestion and will consider for future rulemaking. We note that in the CY 2018 OPPS/ASC proposed rule, there was no violation of the 2 times rule for either APC 5361 or APC 5362.

- b. First full paragraph, in line 2, correct "comment" to read "comments".
- 8. On page 59311, Table 54 Comparison of CY 2017 and CY 2018 Geometric Mean Costs For The Imaging APCs, is corrected to read as follows:

Table 54–Comparison of CY 2017 and CY 2018 Geometric Mean Costs For The Imaging APCs

		CY 2017 APC	CY 2018 APC
APC	APC Group Title	Geometric Mean	Geometric Mean
		Cost	Cost
5521	Level 1 Imaging without Contrast	\$61.53	\$62.08
5522	Level 2 Imaging without Contrast	\$115.88	\$114.39
5523	Level 3 Imaging without Contrast	\$232.21	\$232.17
5524	Level 4 Imaging without Contrast	\$462.23	\$486.38
5571	Level 1 Imaging with Contrast	\$272.40	\$252.58
5572	Level 2 Imaging with Contrast	\$438.42	\$456.08
5573	Level 3 Imaging with Contrast	\$675.23	\$681.45

- 9. On page 59323, second column, second full paragraph, in line 4, correct "C2623" to read "C2613".
- 10. On page 59369,
- a. Second column, second full paragraph, in line 5, correct "status indicator "L" or "M"" to read "status indicator "F", "L", or "M"".

b. Third column, first full paragraph, in line 19, correct "status indicator "L" or "M"" to read "status indicator "F", "L", or "M"".

- 11. On page 59375, second column, third full paragraph, in line 7, correct "CCR ≤5" to read "CCR>5".
- 12. On pages 59412 and 59413, in the title for Table 87, correct "ASDC" to read "ASC".
- 13. On page 59413, second column, after the second full paragraph, add the following paragraphs before the section titled, "D. ASC Payment for Covered Surgical Procedures and Covered Ancillary Services":

"2. Covered Ancillary Services

Consistent with the established ASC payment system policy, in the CY 2018 OPPS/ASC proposed rule (82 FR 33662) we proposed to update the ASC list of covered ancillary services to reflect the payment status for the services under the CY 2018 OPPS. We noted that maintaining consistency with the OPPS may result in proposed changes to ASC payment indicators for some covered ancillary services because of changes that are being finalized under the OPPS for CY 2018. For example, a covered ancillary service that was separately paid under the ASC payment system in CY 2017 may be proposed for packaged status under the CY 2018 OPPS and, therefore, also under the ASC payment system for CY 2018.

To maintain consistency with the OPPS, we proposed to continue this reconciliation of packaged status for the ASC payment system for CY 2018. Comment indicator "CH," discussed in section XII.F. of the proposed rule, was used in Addendum BB to the proposed rule (which is available via the Internet on the CMS website) to

indicate covered ancillary services for which we proposed a change in the ASC payment indicator to reflect a proposed change in the OPPS treatment of the service for CY 2018.

We included all ASC covered ancillary services and their proposed payment indicators for CY 2018 in Addendum BB to the proposed rule. We invited public comments on this proposal.

We did not receive any public comments on these proposals. Therefore, we are finalizing, without modification, our proposal to update the ASC list of covered ancillary services to reflect the payment status for the services under the OPPS. All CY 2018 ASC covered ancillary services and their final payment indicators are included in Addendum BB to this final rule (which is available via the internet on the CMS website)."

14. On page 59422, first column, first partial paragraph, in line 1, correct "44.663" to

- 14. On page 59422, first column, first partial paragraph, in line 1, correct "44.663" to read "44.674".
- 15. On page 59482, third column, second partial paragraph, in line 43, correct "270" to read "247".
- 16. On page 59483, first column, third partial paragraph, in line 29, correct "\$199" to read "\$169".
- 17. On page 59486,
- a. First column, first full paragraph, in line 16, correct "0.5" to read "0.6".
- b. Third column, first full paragraph, in line 6, correct "1.2" to read "1.3".
- 18. On page 59487 through 59488, Table 88—Estimated Impact of the CY 2018

 Changes for the Hospital Outpatient Prospective Payment System, is corrected to read as follows:

TABLE 88—ESTIMATED IMPACT OF THE CY 2018 CHANGES FOR THE HOSPITAL OUTPATIENT PROSPECTIVE PAYMENT SYSTEM

	Numb er of Hospit als	APC Recalibra tion (all changes)	New Wage Index and Provider Adjustm ents	340B Adjustm ent	All Budget Neutral Change s (combi ned cols 2- 4) with Market Basket Update	All Chan ges
	(1)	(2)	(3)	(4)	(5)	(6)
ALL PROVIDERS *	3878	0.0	0.0	0.0	1.3	1.4
ALL HOSPITALS	3765	0.0	0.1	-0.1	1.4	1.5
(excludes hospitals held harmless and CMHCs)	3703	0.0	0.1	-0.1	1	1.0
URBAN HOSPITALS	2951	0.1	0.1	-0.3	1.3	1.3
LARGE URBAN	1589	0.1	0.0	-0.2	1.2	1.3
(GT 1 MILL.)	1000	0	0.0	0.2		1.0
OTHER URBAN	1362	0.0	0.2	-0.3	1.3	1.4
(LE 1 MILL.)						
RURAL HOSPITALS	814	-0.3	0.0	1.4	2.5	2.7
SOLE COMMUNITY	372	-0.2	0.1	2.6	3.9	4.0
OTHER RURAL	442	-0.4	-0.2	0.0	0.8	0.9
BEDS (URBAN)						
0 - 99 BEDS	1021	0.0	0.0	1.9	3.3	3.4
100-199 BEDS	850	0.0	0.2	1.2	2.8	2.9
200-299 BEDS	468	0.1	0.1	0.5	2.0	2.1
300-499 BEDS	399	0.1	0.0	-0.4	1.1	1.2
500 + BEDS	213	0.0	0.1	-2.2	-0.7	-0.6
BEDS (RURAL)						
0 - 49 BEDS	333	-0.6	-0.2	2.1	2.7	2.9
50- 100 BEDS	297	-0.2	-0.2	1.9	2.8	3.0
101- 149 BEDS	97	-0.3	0.1	1.1	2.3	2.4
150- 199 BEDS	49	-0.2	0.1	0.7	2.0	2.1
200 + BEDS	38	-0.3	0.4	0.8	2.4	2.5
REGION (URBAN)						
NEW ENGLAND	144	0.2	0.4	-0.2	1.7	1.8

	1	ı	1		1	
MIDDLE ATLANTIC	348	0.1	-0.2	-0.1	1.2	1.3
SOUTH ATLANTIC	463	0.0	0.3	-0.4	1.3	1.4
EAST NORTH CENT.	471	0.0	0.1	-0.2	1.3	1.4
EAST SOUTH CENT.	178	-0.1	-0.1	-1.6	-0.4	-0.3
WEST NORTH CENT.	191	0.1	0.5	-0.6	1.4	1.5
WEST SOUTH CENT.	513	0.0	0.3	0.9	2.5	2.6
MOUNTAIN	211	0.3	-0.9	-0.2	0.5	0.7
PACIFIC	383	0.1	0.0	-0.6	0.8	0.9
PUERTO RICO	49	-0.4	0.2	2.9	4.1	4.2
REGION (RURAL)						
NEW ENGLAND	21	0.1	1.5	1.2	4.2	4.2
MIDDLE ATLANTIC	53	-0.1	-0.5	1.8	2.5	2.7
SOUTH ATLANTIC	124	-0.4	-0.6	0.7	1.1	1.2
EAST NORTH CENT.	122	-0.2	0.0	1.5	2.7	2.8
EAST SOUTH CENT.	155	-0.6	-0.1	0.0	0.7	8.0
WEST NORTH CENT.	98	-0.1	0.2	2.4	3.9	4.1
WEST SOUTH CENT.	161	-0.7	0.3	2.6	3.6	3.7
MOUNTAIN	56	0.0	-0.3	1.9	2.9	3.3
PACIFIC	24	-0.2	0.1	1.7	3.0	3.0
TEACHING STATUS						
NON-TEACHING	2655	-0.1	0.1	1.3	2.8	2.9
MINOR	761	0.1	0.1	0.1	1.6	1.7
MAJOR	349	0.1	0.0	-2.4	-1.0	-0.9
DSH PATIENT PERCENT						
0	10	0.0	0.2	3.2	4.8	4.9
GT 0 - 0.10	272	0.0	-0.1	2.8	4.6	4.5
0.10 - 0.16	263	0.2	0.0	2.7	4.4	4.4
0.16 - 0.23	572	0.2	0.3	2.6	4.3	4.4
0.23 - 0.35 GE 0.35	1132	0.0	0.1	-0.4	1.0	1.2
DSH NOT AVAILABLE **	935	0.0	0.0	-2.2	-0.9	-0.8
DOU NOT AVAILABLE	581	-2.0	0.1	2.0	1.4	1.6
URBAN TEACHING/DSH						
TEACHING & DSH	1002	0.1	0.0	-1.1	0.3	0.4
NO TEACHING/DSH	1386	0.1	0.2	1.3	2.9	3.0
NO TEACHING/NO DSH	10	0.0	0.2	3.2	4.8	4.9
DSH NOT AVAILABLE2	553	-1.9	0.1	1.9	1.4	1.6
TYPE OF OWNERSHIP						
VOLUNTARY	1979	0.0	0.0	-0.3	1.2	1.3
PROPRIETARY	1293	0.1	0.1	2.7	4.3	4.5
GOVERNMENT	493	-0.1	0.2	-1.6	-0.1	0.0
CMHCs	49	12.5	0.2	3.2	17.8	17.9

Column (1) shows total hospitals and/or CMHCs.

Column (2) includes all final CY 2018 OPPS policies and compares those to the CY 2017 OPPS.

Column (3) shows the budget neutral impact of updating the wage index by applying the FY 2018 hospital inpatient wage index, including all hold harmless policies and transitional wages. The rural adjustment continues our current policy of 7.1 percent so the budget neutrality factor is 1. The budget neutrality adjustment for the cancer hospital adjustment is 1.0008 because the target payment-to-cost ratio changes from 0.91 in CY 2017 to 0.89 in CY 2018 and is further reduced by 1 percentage point to 0.88 in accordance with the 21st Century Cures Act. However, this reduction does not affect the budget neutrality adjustment consistent with statute.

Column (4) shows the impact of the 340B drug payment reductions and the corresponding increase in non-drug payments.

Column (5) shows the impact of all budget neutrality adjustments and the addition of the 1.35 percent OPD fee schedule update factor (2.7 percent reduced by 0.6 percentage points for the productivity adjustment and further reduced by 0.75 percentage point as required by law).

Column (6) shows the additional adjustments to the conversion factor resulting from the frontier adjustment, a change in the pass-through estimate, and adding estimated outlier payments.

These 3,878 providers include children and cancer hospitals, which are held harmless to pre-BBA amounts, and CMHCs.

** Complete DSH numbers are not available for providers that are not paid under IPPS, including rehabilitation, psychiatric, and long-term care hospitals.

- 19. On page 59488, bottom third of the page,
- a. Second column, first partial paragraph, in line 6, correct "17.2" to read "17.9".
- b. Third column, first partial paragraph, in line 10, correct "17.2" to read "17.9".

Dated: December 20, 2017

Ann C. Agnew,

Executive Secretary to the

Department,

Department of Health and Human

Services.

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